



**United States
Department of
Agriculture**

Food and
Nutrition
Service

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SUBJECT: Fresh Fruit and Vegetable Program (FFVP): Allocation of Funds for School Year (SY) 2011/12

TO: Regional Directors
Special Nutrition Programs
All Regions

State Directors
School Nutrition Programs
All States

The *Fresh Fruit and Vegetable Program*, under Section 19 of the Richard B. Russell National School Lunch Act (NSLA), has been a nationwide program since 2008 and operates in selected elementary schools in the 50 States, the District of Columbia, Guam, Puerto Rico, and the Virgin Islands. For School Year 2011/2012, the NSLA provides \$150 million in funding. Beginning SY 2012/2013 and after, FFVP funding will reflect annual changes in the Consumer Price Index.

The purpose of this memorandum is to provide funding allocation amounts for all State agencies (SAs) for SY 2011/2012; to provide information on funding requirements and deadlines; and to serve as a reminder of important program requirements.

Allocation of Funds to SAs

As in the previous year, allocations of FFVP funds are made on a school year basis, and funds will be provided on a fiscal year basis through two distributions: on or about July 1 and October 1, 2011. For SY 2011/2012, FNS expects to allocate to States a total of \$158 million, comprised of the \$150 million referred to above (less \$500,000 for federal administration)^[1] and an estimated \$8.5 million in prior year funds available for reallocation.

Per Section 19, the funding formula is as follows: (1) all 50 States and the District of Columbia will receive an annual grant equal to one percent of the funds made available; and (2) FNS will allocate the remaining funds to each State based on the proportion of the State population to the U.S. population. All funds are allocated using this formula. Please refer to the Attachment for the total of FFVP funds available for each State. The attachment also includes each State's maximum July allocation.

July Allocation

In an effort to help SAs effectively administer the FFVP, FNS is asking each SA to determine the amount of funding needed to initiate and operate its FFVP during the first quarter of SY 2011/2012; this amount will be the SA's July allocation and will be available for obligations made from July 1 through September 30, 2011. We anticipate that providing each SA the flexibility to estimate the amount of funds it needs during

^[1] Per Section 19 of the NSLA, FNS may retain up to \$500,000 for the administrative costs of carrying out the FFVP.

the first quarter of the school year will reduce the amount of unobligated funds at the end of the fiscal year.

Therefore, each SA must notify its respective FNS Regional Office (RO) by June 1, 2011 of the amount of its total July allocation it wishes to receive on or about July 1, 2011. ROs must report SAs' July allocation requests to HQ-FM by June 8, 2011. A request for more than 25 percent of the State's total grant award for the first quarter of SY 2011/2012 will require written justification and subsequent approval from FNS.

Here are a few considerations for SAs when deciding their July allocation request:

- All participating schools, including new schools, should be operational when classes resume for the school year. Therefore, the estimate should include all necessary expenses for schools to initiate the FFVP; i.e., ordering produce for delivery in August and September and any equipment to support program operations.
- SAs may want to consider including a portion of their administrative funds in their first quarter estimate.

To ensure that States are provided every opportunity to expend their allocation, and as allowed in the previous school year, if a State returns unobligated FY 2011 FFVP funds from the July allocation to FNS-HQ prior to the end of September, those returned funds will be added to the FY 2012 October allocation the State will receive on or about October 1, 2011. A SA can only receive its unobligated funds from its July allocation. Unobligated funds that are not returned to FNS-HQ prior to September 30, 2011, will be recovered by FNS during normal closeout activities and made available for future program operations. This early recovery and return process does not apply to the October allocation.

RO-FM staff should be able to track the transactions by Program Cost Account (PCA) at the regional level. Since regional FM personnel handle letter of credit (LOC) transactions with States, SAs should notify their FM contacts in the regions of any balances to be returned. States may also want to consider copying regional program staff and HQ staff for continuity. States must provide their balances to be returned to RO-FM no later than September 21, 2011, and the RO in turn must provide this information to HQ-FM no later than September 23, 2011. These deadlines will allow sufficient time for each SA's return to be processed so that it may be included in the October allocation.

October Allocation

The second allocation will be made on or about October 1, 2011. Schools can obligate the October funds through June 30, 2012. SAs may continue to obligate these funds for State administrative costs through September 30, 2012.

The October allocation will be the remainder of the SA's total grant for the school year, including any unobligated funds from the July allocation that a State returned prior to the end of the fiscal year. The October allocation will not include any funds recovered by FNS from the July allocation; those funds will be available for future program operations.

Funds for State Administrative Costs

Section 19 permits SAs to retain a portion of their total FFVP grant allocation for State administrative costs. The amount of funds retained for State administrative costs is the lesser of: (1) five percent of the SA's total grant for the year; or (2) the amount required to pay the costs of one full-time coordinator for the FFVP in the SA. Each SA should identify the appropriate level and resulting salary for a FFVP coordinator within the SA personnel structure. As a reminder, this provision serves to assist SAs in determining the FFVP administrative funds they can retain from their total grant and does not require SAs to employ a coordinator for the FFVP.

The amount retained for State administrative costs must be determined up-front, since SAs must subtract funds used for State administrative costs prior to making school selections and determining school allocations. State administrative funds are subject to the same cost accountability and management principles applied to State Administrative Expense funds.

SAs can determine from which of the two allocations and how much, if any, of the funds they will retain for administrative expenses. SAs taking the entire portion of administrative funds in the July allocation must obligate these funds by September 30, 2011.

General Program Reminders

- The requirements in the law for school selection are very prescriptive and require that schools with the highest level of free and reduced price enrollment receive priority in selection. For more detailed information regarding school targeting, outreach to needy schools and the application process, please refer to FNS memorandum dated December 1, 2009, SP-10-2010, titled *Fresh Fruit and Vegetable Program (FFVP) Targeted School Selection and Outreach Process*.
- As stated in Section 19 of the NSLA, starting SY 2010/2011 only elementary schools are eligible to participate in the FFVP. Secondary schools are no longer allowed to participate.
- Total enrollment of all schools selected by the SA must result in a per-student allocation of \$50 to \$75 per year.
- The application process must be conducted yearly, however returning schools do not have to submit a new application each year; instead they are permitted to update their application on file, at the discretion of the SA.

- As stated earlier, all schools should be operating the FFVP as soon as the new school year begins. Therefore, SAs are strongly encouraged to select their schools before the current school year ends.

The following table provides some key FFVP dates.

Key Dates to Remember	
No later than June 30, 2011	SAs select all SY 2011/2012 FFVP participating schools (recommended)
June 1, 2011	SAs report July 2011 funding requirement to RO-FM
June 8, 2011	ROs report SA funding requirements to HQ-FM
July 1, 2011	SAs receive 1 st allocation for SY 2011/2012; schools can no longer obligate funds received in October 2010 allocation for SY 2010/2011
Sept. 21, 2011	States must notify RO-FM of any July allocation balances to be returned as part of their October allocation
Sept. 23, 2011	RO must provide July allocation return totals to HQ-FM
Sept. 30, 2011	Last day on which July allocation funds can be obligated (any unobligated funds will be recovered during closeout)
Oct. 1, 2011	SAs receive 2 nd allocation for SY 2011/2012
Dec. 31, 2011	Closeout for FY 2011 funds; SAs submit final SF-425 via FPRS
June 30, 2012	<u>Schools</u> can obligate all 2 nd allocation funds up to this date
Sept. 30, 2012	<u>SAs</u> can obligate all 2 nd allocation funds up to this date

SAs with questions regarding FFVP should contact their respective Regional Offices.

Original Signed

Cynthia Long
Director
Child Nutrition Division

Attachment

State	Proposed FFVP per state allocation for SY11-12, based on approximately \$158 million available	Maximum July Allocation (25% of total)
Alabama	\$2,763,159	\$690,790
Alaska	\$1,755,808	\$438,952
Arizona	\$3,162,258	\$790,564
Arkansas	\$2,301,796	\$575,449
California	\$10,801,714	\$2,700,429
Colorado	\$2,824,910	\$706,227
Connecticut	\$2,464,720	\$616,180
Delaware	\$1,802,271	\$450,568
District of Columbia	\$1,728,948	\$432,237
Florida	\$6,234,011	\$1,558,503
Georgia	\$3,978,048	\$994,512
Hawaii	\$1,916,724	\$479,181
Idaho	\$1,968,034	\$492,008
Illinois	\$4,756,050	\$1,189,012
Indiana	\$3,184,978	\$796,244
Iowa	\$2,334,084	\$583,521
Kansas	\$2,286,251	\$571,563
Kentucky	\$2,654,152	\$663,538
Louisiana	\$2,702,175	\$675,544
Maine	\$1,908,818	\$477,204
Maryland	\$3,009,165	\$752,291
Massachusetts	\$3,200,777	\$800,194
Michigan	\$4,026,562	\$1,006,640
Minnesota	\$2,892,915	\$723,229
Mississippi	\$2,314,514	\$578,629
Missouri	\$3,062,478	\$765,620
Montana	\$1,824,916	\$456,229
Nebraska	\$2,032,086	\$508,022
Nevada	\$2,248,485	\$562,121
New Hampshire	\$1,905,874	\$476,469
New Jersey	\$3,756,315	\$939,079
New Mexico	\$2,089,722	\$522,430
New York	\$6,376,788	\$1,594,197
North Carolina	\$3,940,380	\$985,095
North Dakota	\$1,746,491	\$436,623
Ohio	\$4,435,706	\$1,108,926
Oklahoma	\$2,508,596	\$627,149
Oregon	\$2,528,331	\$632,083
Pennsylvania	\$4,724,303	\$1,181,076
Rhode Island	\$1,840,549	\$460,137
South Carolina	\$2,724,946	\$681,237
South Dakota	\$1,781,539	\$445,385
Tennessee	\$3,150,893	\$787,723
Texas	\$7,804,444	\$1,951,111
Utah	\$2,264,162	\$566,041
Vermont	\$1,734,894	\$433,723
Virginia	\$3,560,546	\$890,136
Washington	\$3,244,569	\$811,142
West Virginia	\$2,038,684	\$509,671
Wisconsin	\$2,987,737	\$746,934
Wyoming	\$1,719,518	\$429,880
Puerto Rico	\$922,269	\$230,567
Guam	\$44,771	\$11,193
Virgin Islands	\$27,167	\$6,792